Vermont Open Enrollment and Qualified Health Plan (QHP) Renewals for 2021

Background

This memo summarizes the state of Vermont's intended methodology for QHP annual redeterminations ("renewals") for 2021, pursuant to 45 CFR 155.335(a)(2)(iii)[1]. Vermont's state-based exchange, Vermont Health Connect (VHC), is administered by the eligibility and enrollment unit within the Department of Vermont Health Access (DVHA).

The operational and system methodology for 2021 is largely similar to that of previous years. However, the upcoming open enrollment will undoubtedly be influenced by the presence of the emergency caused by COVID-19. For example, the time period for qualified health plan (QHP) certification will be compressed because the Green Mountain Care Board has given more time for hospitals to submit their budgets and the issuers to take this information into account in their rate filing. DVHA has had a special enrollment period for uninsured Vermonters open since March 20. DVHA is also navigating Medicaid program changes as a result of the emergency while preparing for and executing open enrollment. Vermont's goal is to maintain stability for the QHP population during this time.

QHP Renewals

For QHP renewals, DVHA uses automated renewal functionality which allows for self-service plan selection during open enrollment, self-service change reporting, automated noticing, and automated QHP issuer and billing integration.

1. Renewals Preparation and System Setup

In early August, DVHA will notice those QHP enrollees who did not provide authorization to obtain IRS data for their renewal. This "zero auth" notice will give instructions for providing authorization and explain that, if authorization is not given, any APTC will be removed for 2021. This population is expected to be around 1,500 this year. A reminder notice will be sent in early September to anyone who does not respond to the initial notice.

As soon as 2021 QHPs have completed the rate review and certification process in early September, the VHC rules engine will be updated to calculate 2021 eligibility using updated eligibility data. The exchange will execute one-to-one plan mapping for default reenrollment. There are no new plans and no plan recissions for 2021. One of the QHP issuers will have three non-standard plans with new QHP IDs for 2021. These plans are essentially the same from 2020 to 2021 so all current enrollees of these three plans will be mapped into the equivalent of their current plan for 2021 coverage.

Carriers will be given the opportunity to confirm the accuracy of 2021 plan data from the VHC live system prior to open enrollment, and the plans will be posted on the VHC informational website for customer shopping. The Plan Comparison Tool will also be available in October for customers to shop for 2021 QHPs before Open Enrollment begins.

The goal of this preparatory phase is to have all the updated rules, plans and authorizations in

[1] HBEE 75.02(a)(3)

place to project 2021 eligibility for QHP enrollees prior to open enrollment.

2. Noticing and Plan Mapping

In early October, DVHA will send standardized renewal notices to all enrolled households[2] directing them to the VHC portal, or to call the call center, for their projected eligibility and mapped plan for 2021. The notices will stress the importance of reporting updated household information, the requirement to report any eligibility change, and instructions for doing so. The notices will also include a description of open enrollment, the redetermination process, and the plan selection deadline of December 15, 2020 for January 1, 2021 coverage. Finally, the standard renewal notices will include generic reminders and calls to action for those with outstanding data-matching issues, age-off populations, and those who enter a grace period during Open Enrollment.

In mid-October, DVHA will process a batch activity wherein eligibility is projected for every household based on most recent, customer-reported case data. The hub is pinged using the Renewal and Redetermination Verification (RRV) Service. As part of the process, verification statuses are refreshed, and failure to reconcile codes are implemented. For example, an enrollee for whom DVHA receives a failure to reconcile code from the IRS or who has not authorized retrieval of tax information for this renewal, will show that they are not eligible for subsidies in the next plan year. A catastrophic plan enrollee who has turned 30 will show as no longer eligible for the catastrophic plan. This projected eligibility is populated into the VHC portal along with default re-enrollment (plan mapping) for customer review.

Subsequently, carriers will send renewal notices to customers that will include the cost of their 2020 plan and cost of 2021 plan.[3] The carriers' notices will also explain that these costs are the gross premiums – premiums before subsidies – and will refer customers to DVHA to review their 2021 subsidies and net costs, if applicable.

The batch activity will also be the basis of the transmission of a batch re-enrollment file to QHP issuers. This will re-enroll all known QHP enrollees into an equivalently mapped 2021 QHP. Therefore, an individual who is enrolled in a QHP and whose QHP remains available will not be required to reapply or take other actions to renew coverage for the following year. They must only pay their premium due. This default passive enrollment will aid to maintain the State's existing high rate of insured individuals.

3. Outreach and Education

Vermont's open enrollment effort will be supported by the broad availability of in-person assistance, online health insurance literacy resources, key community partners, and mass media. Key messages include reminders of the December 15 deadline[4] and encouragement to reconsider plan selection through comparison shopping.

Vermont's Assister Network consists of more than 100 Certified Application Counselors, Navigators, and Brokers working in 49 organizations including hospitals, clinics, and community-based organizations. Assister support is available in all of Vermont's 14 counties to help Vermonters enroll in health coverage through Vermont's health insurance

[2] Approximately 20,000 households
[3] 45 CFR 156.1255
[4] 45 CFR 155.410(f)(2)(i). HBEE 71.02(F)

marketplace. They also coordinate with state eligibility staff to promote health insurance literacy, help customers understand the total cost of insurance, and ensure that Vermonters are aware of the deadline for signing up as well as the requirement to maintain health insurance.[5]

DVHA uses the Plan Comparison Tool to help Vermonters better understand their subsidies and assess how various plan designs and out-of-pocket costs could impact their total health care costs. The tool is expected to continue to play a key role in equipping individuals and employees of small businesses to choose the best health plan for their families' needs and budgets.

Additionally, DVHA will again team up with partners, such as community libraries, to hold virtual Open Enrollment events and question-and-answer sessions which can be accessed by phone or computer. Invoice stuffers regarding Open Enrollment will also be mailed to current QHP enrollees with the August through November invoice runs. Outreach will reinforce the December 15 deadline and encourage comparison shopping.

4. Redetermination

Beginning November 1, 2020, QHP enrollees will be able to call or log into the portal to make a change for their renewal. This will include the ability to authorize retrieval of tax information. Changes will be implemented using the automated change of circumstance process, and 2021 projected eligibility will be updated accordingly. An 834 transaction will be generated overriding the original re-enrollment.

All households, whether or not they have completed an active re-enrollment as described above, will receive a notice of decision reflecting their 2021 redetermination in November. The notice will be updated if a household takes further action on their renewal. If an enrollee does not report or make a change by December 15, they will remain re-enrolled according to their projected eligibility and mapped plan.

5. Failure to Reconcile (FTR)

Redetermination includes the loss of APTC for those who the IRS indicates did not file taxes to reconcile APTC for the previous year. The exchange will remove APTC for those households receiving any of the three IRS FTR indicators (007, 009 and 010). Those enrollees projected to lose their APTC pursuant to FTR can call the call center to attest that taxes have been filed and APTC reconciled and receive a new eligibility determination for APTC.[6] They must make such an attestation by the plan selection deadline (December 15) in order to receive APTC as of January 1. If they make an attestation after December 15, the eligibility redetermination is effective according to the fifteenth of the month rule.[7] Since eligibility is projected in October—before the IRS data is updated to account for all those with automatic extensions who met their filing deadline—in late November and early December, DVHA will recheck customers who received the 009 code (valid filing extension) and grant APTC to those eligible.

6. Interaction with Medicaid

VHC is an integrated marketplace providing both Medicaid and QHP coverage. DVHA renews the MAGI-based Medicaid enrollees annually, according to a monthly schedule. Therefore, QHP renewals and certain Medicaid renewals will be taking place contemporaneously during open

[5] 32 VSA 10452.
[6] HBEE 73.05(b)(1)(iii)
[7] HBEE 73.06

enrollment. For "mixed" households with both Medicaid and QHP enrollees, the QHP renewal notice includes language reminding customers that eligibility for the entire household will be updated as a result of a reported change, if applicable. Medicaid members in mixed households will be renewed through a separate process and will receive Medicaid specific renewal notices.

Regulatory Standard

The State's approach to annual redetermination meets federal standards for approval of an alternative procedure[8] by:

- facilitating continued enrollment in coverage,
- providing clear information about the process to the qualified individual or enrollee (including regarding any action by the qualified individual or enrollee necessary to obtain the most accurate redetermination of eligibility), and
- providing adequate program integrity protections.

[8] 45 CFR 155.335(a)(2)(iii).